



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

February 13, 2007

John Wilhelm, Treasurer
UNITE HERE TIP Campaign Committee
275 Seventh Ave, 10th Floor
New York, NY 10001

Response Due Date:
March 19, 2007

Identification Number: C00004861

Reference: Amended 30-Day Post-General Report (10/19/06-11/27/06), received
1/5/07

Dear Mr. Wilhelm:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Schedule A supporting Line 17 of your report discloses a payment(s) from a federal committee(s) for goods and/or services provided by your committee. 11 CFR §100.52(d)(1) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.52(d)(2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to the federal committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by your committee to the federal

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committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.52(d)(1))

-Schedule E of your report discloses a total of \$1,671.65 in payments to your connected organization for "Staff services" and "Car rental". 2 U.S.C. §441b prohibits a corporation or labor organization from contributing or expending funds for the purpose of influencing any federal election; however, a connected organization may pay for the solicitation and administrative costs of its separate segregated fund. Further, 11 CFR §114.2(f) prohibits corporations and labor organizations from facilitating the making of contributions to candidates or political committees, other than to the separate segregated funds of the corporations and labor organizations. Facilitation means using corporate or labor organization resources or facilities to engage in fundraising activities in connection with any federal election. The use of corporate or labor organization resources in connection with a fundraiser may be permissible for certain fundraising activities only if the corporation or labor organization receives advance payment for the fair market value of such services. 11 CFR §114.2(f)(2)(i)(A), (C) and (E)

Please amend your report to clarify whether the payment to your connected organization was for expenditures which were intended to influence federal elections and provide the dates of the activity conducted by your connected organization. In addition, please clarify whether your committee made advance payment for these services to your connected organization. Although the Commission may take further legal action concerning this matter, your prompt action will be taken into consideration.

-Itemized independent expenditures must include a brief statement or description of why the expenditures were made. Please amend Schedule E of your report to clarify the following description(s): "Campaign Materials" and "Staff services." For further guidance regarding acceptable purposes, please refer to 11 CFR §104.3(b)(3).

-Schedule E of your report discloses lump sum payments to "ADP Payroll Processing" for payroll purposes; however, you have not itemized the individuals who receive payment. Each person who provided services to the committee must be identified in a memo entry if the payments made through the payroll account to the ultimate payee exceed \$200 in a calendar year. Please amend your report by providing the name, date, amount, and purpose for such payments as required by 11 CFR §102.9(b)(2)(i)(A) and clearly identify on the Schedule E, which payment each memo entry relates to.

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-2 U.S.C. §434(b)(6)(B)(iii) requires that the supporting schedule for disclosing independent expenditures be signed by the treasurer. This is to attest to the fact that the expenditures were not made in cooperation, consultation, or concert, with, or at the request or suggestion of, any candidate or any authorized committee or agent of such committee. Please amend your Schedule E accordingly.

-Your committee filed 48 and 24 hour notices informing the Commission of independent expenditures made in support or opposition of federal candidates with "ADP Payroll Processing" as the payee(s). However, the amounts and dates of public dissemination disclosed on the notice(s) do not appear to correlate with the entries disclosed on Schedule E, supporting Line 24 for the reporting period. If your committee has filed a 48 or 24 hour notice(s) for independent expenditures that are not reflected on your report(s), you must file Schedule E during the appropriate reporting period(s) to disclose the payments. Please amend your report to clarify this discrepancy and provide clarifying information.

-Schedule E of your report indicates that your committee may have failed to timely file one or more of the required 24 hour notices regarding "last minute" independent expenditures (see attached). A political committee must file a 24 hour report with the Federal Election Commission as specified in 11 CFR §104.4(c), within 24 hours of any independent expenditures of \$1,000 or more with respect to a given election, made between two and twenty days before an election. The notice must be received by the Commission by 11:59 p.m. on the day following the date on which independent expenditures that aggregate \$1,000 or more are publicly distributed or disseminated. These expenditures must then be fully itemized on Schedule E, or as memo entries on Schedule E and reflected on Schedule D if distributed or disseminated prior to payment, of the next report required to be filed by the committee. Although the Commission may take further action concerning this matter, your prompt response will be taken into consideration. 11 CFR §104.3(b)

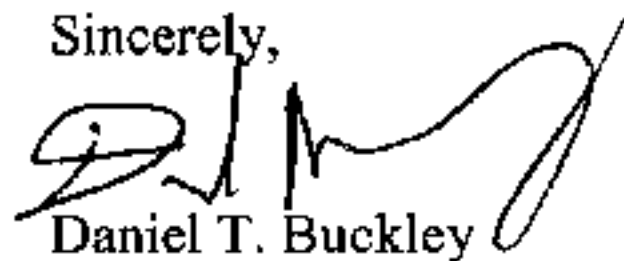
Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

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Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694- 1141.

Sincerely,



Daniel T. Buckley
Campaign Finance Analyst
Reports Analysis Division

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Name of Payee	Date	Amount	Purpose	Candidate
Promoco	10/19/2006	\$1,022.00*	Campaign Materials	Christopher Shays

*Estimated at \$742.00 in 24 Hour Notice filed 10/23/2006

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